

## Message Text

UNCLASSIFIED

PAGE 01 ANKARA 00515 201116Z  
ACTION INT-05

INFO OCT-01 EUR-12 ISO-00 SSO-00 EB-08 /026 W  
-----078210 201124Z /14

O 200806Z JAN 78  
FM AMEMBASSY ANKARA  
TO SECSTATE WASHDC IMMEDIATE 332

UNCLAS ANKARA 515

DEPARTMENT PLEASE PASS TO CLARENCE A. WENDEL, NATIONAL PARK  
SERVICE, INTERIOR DEPARTMENT

E.O. 11652: N/A  
TAGS: EMIN, ELAB, ECON, PINT, TU  
SUBJECT: EFFECTS OF POLITICAL AND LABOR TRENDS UPON TURKEY'S BORATE  
SUPPLY

1. EMBASSY HAS REVIEWED SECTIONS OF DRAFT FOR "MARKET AND  
SUPPLY STUDY OF BORATE RESOURCES" AND HAS SUGGESTIONS TO MAKE.
2. "POLITICAL CONSIDERATIONS REGARDING TURKISH SUPPLY,"  
SECTION G, PAGE 44, REQUIRES REVISION. EMBASSY AGREES THAT TURKEY  
IS NATIONALISTIC ABOUT ITS NON-RENEWABLE RESOURCES AND PREFERS  
TO DEVELOP THEM ITSELF, WITH AS LITTLE FOREIGN PARTICIPATION  
AS POSSIBLE. HOWEVER, WE WOULD NOT ATTRIBUTE SUCH A POSITION  
TO A "LEFTIST MOVEMENT". ALTHOUGH MANY TURKISH LEFTISTS HAVE  
ADOPTED THIS POSITION, IT HAS STRONG SUPPORT ACROSS IDEOLOGICAL  
SPECTRUM IN TURKEY, AS IN MANY OTHER DEVELOPING COUNTRIES  
AND EVEN IN U.S. REINFORCING THIS ATTITUDE IN TURKEY IS THE  
CONCEPT OF ETATISM (STATE CAPITALISM), INTRODUCED BY ATATURK,  
THE FOUNDER OF MODERN TURKEY AND OF THE REPUBLICAN PEOPLE'S PARTY,  
WHICH TURKEY'S CURRENT PRIME MINISTER, BULENT ECEVIT, LEADS.
3. EMBASSY WOULD NOT PREDICT SUPPLY DISRUPTION "IN THE  
NOT TOO DISTANT FUTURE" (PARAGRAPH 1, SECTION G) OR PRODUCTION  
DISRUPTION (PARAGRAPH 3). EVEN IF ALL MINES IN TURKEY WERE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ANKARA 00515 201116Z

NATIONALIZED, WHICH HAS NOT YET BEEN PROPOSED BY ANY RULING  
GOVERNMENT HERE, EMBASSY WOULD NOT EXPECT GOT TO SHUT DOWN  
PRODUCTION.

4. EMBASSY SUGGESTS THAT SECTION G BE RE-TITLED "EFFECTS OF  
POLITICAL AND LABOR TRENDS ON TURKISH SUPPLY" AND PROPOSES  
FOLLOWING REVISED LANGUAGE FOR FIRST THREE PARAGRAPHS OF SECTION

G: QUOTE TURKEY'S PRODUCTION OF COLEMANITE (AND ULEXITE) IS LIKELY TO INCREASE OVER THE LONG TERM IN BOTH THE STATE AND PRIVATE SECTORS. HOWEVER, POLITICAL AND LABOR FACTORS COULD SLOW GROWTH.

QUOTE THERE IS A POSSIBILITY THAT THE PRIVATE SECTOR OF THIS INDUSTRY COULD BE NATIONALIZED. THERE IS A GENERALLY ACCEPTED VIEW IN TURKEY THAT THE STATE SHOULD CONTROL THE EXPLOITATION OF NON-RENEWABLE RESOURCES. THIS NATIONALISTIC ATTITUDE COULD RECENTLY BE SEEN WHEN PARLIAMENT CANCELLED A BRITISH CORPORATION'S CONCESSIONARY RIGHTS TO THE KIRKA BORAX DEPOSITS AND BANNED FOREIGN PARTICIPATION IN ANY DOMESTIC MINING ENTERPRISE. THE NEXT STEP COULD BE PLACING PRIVATE MINES AND PLANTS UNDER CONTROL OF ONE OF THE STATE MINING ENTERPRISES, SUCH AS ETIBANK OR THE TURKISH COAL OPERATIONS. STATE MINING ENTERPRISES ALREADY ACCOUNT FOR 80 PERCENT OF ALL TURKISH MINERAL PRODUCTION.

QUOTE IF THE REMAINING PRIVATE COLEMANITE MINES ARE NATIONALIZED, THE WELL-RECOGNIZED INEFFICIENCIES IN STATE ENTERPRISE MANAGEMENT AND OPERATING PRACTICES WOULD PROBABLY RAISE COSTS OF PRODUCTION IN THE NEWLY NATIONALIZED MINES AND DELAY NEW INVESTMENT BECAUSE OF THE INABILITY OF A NON-PROFITABLE STATE ENTERPRISE TO FINANCE THEM. END QUOTE

5. EMBASSY ALSO SUGGESTS FOLLOWING CHANGES IN FOURTH PARAGRAPH OF SECTION G:

-- SENTENCE 2: INSERT "PUBLIC SECTOR" BEFORE THE WORD UNCLASSIFIED

UNCLASSIFIED

PAGE 03 ANKARA 00515 201116Z

"MINERS".

-- SENTENCE 3: ADD "OVER A TWO-YEAR PERIOD" AFTER "BASIC WAGE".

-- INSERT NEW SENTENCE BETWEEN SENTENCES 3 AND 4:  
"PRIVATE SECTOR LABOR COSTS ARE RUNNING SOMEWHAT HIGHER."  
SPIERS

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LABOR, TRENDS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978ANKARA00515  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780030-0923  
**Format:** TEL  
**From:** ANKARA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780142/aaaabjmv.tel  
**Line Count:** 100  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** ad2bc7e1-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION INT  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 07 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3744315  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EFFECTS OF POLITICAL AND LABOR TRENDS UPON TURKEY'S BORATE SUPPLY  
**TAGS:** EMIN, ELAB, ECON, PINT, TU  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/ad2bc7e1-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014